

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



A brief summary of financial proposals filed with and actions by the S.E.C.

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BLUE STAR PRODUCTIONS REQUEST DENIED. The SEC has issued a decision under the Securities Act (Release 33-4840) denying a request of Blue Star Productions, Inc., of Miami, Fla., that the Commission vacate its July 1965 order temporarily suspending a Regulation A exemption from registration with respect to a proposed public offering of 100,000 common shares at \$2 per share. That order asserted, among other things, that the company's offering circular contained "materially untrue and misleading statements" concerning, among other things, the consideration for which stock was issued to insiders, the escrow of petitioner's unregistered securities, the amount of its assets, its properties and material transactions relating to their acquisition, proposed business activities, and competition, the pertinent experience of its officers and directors, and the use of the proceeds of the offering for the benefit of its insiders, and failed to disclose that shares covered by the notification were offered for sale before the effective commencing date for the offering.

The company requested a hearing on the issue of whether the suspension order should be vacated or made permanent but later withdrew its request. Accordingly, the suspension order was made permanent. In seeking to have the suspension order vacated, the company asserted that actions leading to the suspension were "a result of inadvertence" and were without malice or any intention not to comply with Regulation A, and that it has prepared amended filings containing full disclosure of all material facts. The Commission concluded that a sufficient showing had not been made to warrant either vacation of the permanent suspension order or relief from the prohibitions of Regulation A against any offering of stock by Blue Star Productions within five years after the suspension order (this would not preclude a registered offering).

RUBEROID FILES EXCHANGE PROPOSAL. The Ruberoid Co., 733 Third Ave., New York 10017, filed a registration statement (File 2-25322) with the SEC on July 26 seeking registration of 192,750 shares of capital stock. The stock is to be offered in exchange for all of the outstanding common stock (192,750 shares) of American Flat Company (of Glenville, Conn.), on a share-for-share basis. The offer is conditioned upon the acceptance thereof by the holders of not less than 165,034 (approximately 86%) of the outstanding common of American.

Ruberoid manufactures and sells building materials, industrial products, and floor coverings. American is a fabricator of pressed wool felts, synthetic fiber felts, and custom-designed industrial products. In addition to indebtedness, Ruberoid has outstanding 1,881,679 common shares, of which management officials own 5% and W. R. Grace & Co. holds approximately 28.6%. E. J. O'Leary is the board chairman and president of Ruberoid.

ACME FUND FILES FOR OFFERING. Acme Fund, Inc., 175 Fulton Ave., Hempstead, N. Y. 11550, filed a registration statement (File 2-25325) with the SEC on July 26 seeking registration of 300,000 shares of capital stock. The shares are to be offered for public sale at net asset value (\$5 per share maximum*) plus 1% thereof.

The fund (formerly known as Federated Investors, Inc.) is an open-end diversified investment company whose objective is "growth of principal over a period of years, with a reasonable rate of income and conservation of principal as secondary objectives." It has outstanding 85,609 shares, of which management officials and members of their families own 35,892 shares. Philip Merkur is president.

DOYLE DANE BERNBACH FILES FOR SECONDARY. Doyle Dane Bernbach Inc., 20 W. 43rd St., New York 10036, filed a registration statement (File 2-25329) with the SEC on July 27 seeking registration of 146,251 outstanding shares of Class A stock. The present holders thereof propose to offer the stock for public sale through underwriters headed by Francis I. duPont, A. C. Allyn, Inc., One Wall St., New York 10005. The public offering price (\$38 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is an advertising agency. It has outstanding 924,814 Class A and 11,217.3 Class B shares, of which management officials own 37.5% and 82.3%, respectively. The prospectus lists 38 selling stockholders, including Ned Doyle (executive vice president), who is offering 37,740 of 75,279 Class A shares held; Maxwell Dane (vice president), 21,884 of 52,169 Class A shares; William Bernbach (president), 18,870 of 39,941 Class A shares; and Evelyn Bernbach, 18,870 of 54,418 Class A shares.

COLLEGE LIFE, INC., ENJOINED. The SEC Washington Regional Office announced July 27 (LR-3547) the entry of a Federal court order preliminarily enjoining College Life, Inc., from violations of the registration and anti-fraud provisions of the Federal securities laws in the sale of its own stock. College Life consented to the order without admitting or denying the allegations in the Commission's complaint.

TRUNKLINE GAS PROPOSES BOND OFFERING. Trunkline Gas Company, One Chase Manhattan Plaza, New York 10005, filed a registration statement (File 2-25332) with the SEC on July 27 seeking registration of \$40,000,000 of first mortgage pipe line bonds (due 1986). The bonds are to be offered for public sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, Inc., 70 Pine St., New York 10005, and two other firms. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

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A wholly-owned subsidiary of Panhandle Eastern Pipe Line Co., the company is engaged in the purchase, transmission and sale of natural gas. Net proceeds of its bond sale will be used in connection with its construction program; expenditures for 1966 are estimated at \$51,000,000. In addition to indebtedness and preferred stock, the company has outstanding 4,306,780 common shares. W. K. Sanders is president.

O/C REGISTRATIONS REPORTED. The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "**"):

<u>File</u>	<u>O-Registrants</u>	<u>Location</u>
2188	Amer Mortgage & Inv Co**	Charleston, S.C.
2187	Entron Inc**	Silver Spring Md.
2192	Foster-Forbes Glass Co**	Marion, Ind.
2191	General Life of Missouri Inv Co**	Dellwood, Mo.
2186	Mississippi Industrial Land & Timber Corp**	Jackson, Miss.
2190	Ormont Drug & Chemical Co Inc**	Englewood, N.J.
2181	P & F Industries Inc**	Syosset, N.Y.
2189	Sterling Electronics Inc**	Houston, Tex.

SECURITIES ACT REGISTRATIONS. Effective July 27: American Telephone and Telegraph Co., 2-25202; Bank Stock Fund, Ltd., 2-24151; Kinemotive Corp., 2-24790 (Sept 5).

NOTE TO DEALERS. The period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.

*As estimated for purposes of computing the registration fee.

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